*363 .[The questions (Shri Dharam Chander Prashant) was absent. For answer, vide cols. 27-28 infra]

Impact of rise in the prices of Edible oils on the soap industry

†*364. SHRI GURUDAS DAS GUPTA:

SHRI SURAJ PRASAD :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that there has recently been a hike in the Edible oil prices;

(b) if so, the details thereof;

(c) whether it is a fact that the price rise is affecting severely the small-scale manufactureres of soap; and

(d) if so, what steps Government propose to take in this regard?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT):

(a) There has been a rising trend in the prices of edible oils over the past few months.

(b) During the current financial year (between the last week of March, 1987 and the week ending 1-8-87) the wholesale price index of edible oils subgroups has increased by 21.9 per cent.

(c) and (d) The small scale manufacturers of soap have brought to the notice of Government the difficulties being faced by them on account of rise in the prices of non-edible oils. The Government import every year Crude Palm Stearine/Palm Fatty Acid Distillate to bridge the gap between the demand for and supply of soapery oils in the country so that soaps are available at fair prices to the consumers.

SHRI GURUDAS DAS GUPTA: I must admit that I should compliment the Minister because he is really a wizard he knows the magic of statistical jugglery. My question is in two parts; one is about edible oils, and another about non-edible oil for manufacture of soap. While giving the picture of rising prices, he has the generosity of quoting the wholesale price. Can I ask the hon. Minister whether he eats in his own house or has some arrangement for meals at a hotel, because people everywhere, including in the city of Delhi, are faced with the big problem of fantastic rise in edible oil price. Not only it is a matter of fantatistic rise in the price of edible oil, but there is scarcity and non-availability. He takes refuge under the wholesale price index. But everybody knows that wholesale price is one, and retail price is another, and there is a wide gap, and this gap is widening at the moment. Therefore I would request the hon. Minister to tell us whether he is aware that there has been a fantastic rise in the prices of edible oil all over the country and there is great and growing scarcity of edible oils leading to problems and difficulties in the household at different levels. If he is aware of it, what steps he is going to take to ensure that the price comes down and edible oil is made available to the common consumer at reasonable price, either through the rationshops or throught any other agency?

SHRI H. K. L. BHAGAT: I am grateful to the hon. Member for raising this matter and putting it in perspective. I wish to assure him that the Government does not wish to indulge in jugglery. It does not want to under emphasise anything. The answer was given in terms of the wholesale price. The intention is not to conceal anything and nobody can conceal anything. The fact of the matter is that, there has been a considerable increase in the prices of edible oils and people are facing a lot of inconvenience in this connection. There are reasons for it. I am not denying it. We are taking necessary steps to the extent we can. I will also detail the steps. The fact of the matter is

†The question was actually asked on the floor of the House by Shri Gurudas Das Gupta.

that there is a gap between our requirements and what is being produced in the country. There has been much less indigenous production than what we expected, Government went in for imports. This is because the gap can be met only by importing oil. We started with eight lakh tonnes. Now, we have gone to about 15 lakh tonnes. We are definitely concerned over the situation. If we consider it necessary, some more oil will be imported. I would like to assure hon. Members. But I would like to bring one point to the notice of the hon. Member, Mr. Gupta and others. At one time, the view was that we should not do anything which may have an adverse effect. The view was that when we start importing oil, we should also take into account its impact on the indigenous industry... Secondly, when we import a large quantity of edible oil, it does depress and discourages the farmers. Therefore, we are trying to see that only a limited quantity is imported even if it means a little more burden on the consumer. In the interest of the farmers, in the interest of the country as a whole. We should restrict the imports. At the same time, we are trying to ensure that the consumer does not pay more to the retailer or to the middlemen. (*Interruptions*). So far as the question of production in the country is concerned, it is the Agriculture ministry which is concerned with this and they are taking certain steps. So far as the question of prices is concerned, I have the latest prices in this year, in different months. There has been increase. I have got the figures. If the hon. Members want....

SHRI GHULAM RASOOL MATTO: Madam, just two hours back I sent my servant to the Kendriya Bhandar to bring one kg. of Postman oil. The price is Rs. 40 per kg. Is the Minister aware of this?

SHRI H. K. L. BHAGAT: May be I am not denying it. Here, I have the prices of groundnut oil, mustard oil, For example in Ahmedabad, the price of groundnut oil as on 24-7-87 is Rs. 27.50 Prices have risen. There is no doubt about it. Now, there are two ways. We stop up the supply if indigenous oil. The other is the public distribution system. in the public distribution system, we are giving the oil which is cheaper. It is good, not bad, from the point of view of health also Good for consumption. We have increased the supply of edible oil through the public distribution system recently. We are trying to meet the situation by increasing the supply. But when such a situation arises, there is a tendency to hoard. There is a tendency to speculate. There is a tendency to do many things. Recently, the Monopolies Commission and the Police authorities are going wholehog....

SHRI GURUDAS DAS GUPTA: Madam, I have to ask my Second supplementary.

THE DEPUTY CHAIRMAN: You took a long time to put your first supplementary.

SHRI H. K. L. BHAGAT: Madam, the hon. Member put a wide-range of questions. He also asked what steps have been taken. I am mentioning the steps we have taken. We have told all the Chief Ministers including the Chief Minister—I hope the hon. Member will undrstand –to undertake a dehoarding drive. As I said, we are increasing the supplies. Of course, difficulties are there. But I can say that in spite of the difficulties so far as the handling of the situation by the Central Government is concerned, the State Governments are not unhappy with us.

SHRI GURUDAS DAS GUPTA: Madam, I agree that there is scarcity. But the question is whether the scarcity justifies such a fantastic increase in price. There is an element of speculation in the whole thing. I would like to know from the hon. Minister how many people have been arrested for speculation. Secondly.....

THE DEPUTY CHAIRMAN: Question Hour is over.